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SUBJECT: DAS SWAN URGES DIALOGUE TO RESOLVE BURUNDI'S

POLITICAL, FINANCIAL, AND MILITARY PROBLEMS

- ¶1. (SBU) SUMMARY: In meetings with high level government officials on September 18-19, Deputy Assistant Secretary for African Affairs James Swan expressed support for Burundi's transition to a post conflict society while cautioning officials on pending potential pitfalls. DAS Swan met with President Pierre Nkurunziza, 1st Vice President Dr. Martin Nduwimana, 2nd Vice President Gabriel Ntisezarana, and other political officials to encourage them to end the political impasse and to resume negotiations with the sole remaining rebel group, the Palipehutu-FNL (FNL). In discussions with the World Bank (WB) and International Monetary Fund (IMF), DAS Swan explored possibilities for financial relief to ease Burundi's current budget shortfall. DAS Swan also thanked each political leader for Burundi's commitment to deploy two battalions in support of the African Union's Mission to Somalia (AMISOM). END SUMMARY
- 12. (SBU) Deputy Assistant Secretary James Swan met with high level government officials on September 18-19 to offer strong US support for Burundi as it transitions to a post conflict society. In consultations with the President, both Vice Presidents, and other political leaders, DAS Swan praised Burundi's many successes since the free and fair elections of $\P 2005$. However, DAS Swan cautioned that the current political impasse caused by the refusal of each political party to compromise prevents essential democratic institutions from functioning. In order for Burundi to transition out of a post conflict society, DAS Swan added, the Government of Burundi (GOB) must lead and be committed to a positive and constructive dialogue with opposition parties. It is clear that significant dialogue is already underway. Both National Assembly President Pie Ntavyohanyumana and Front for Democracy in Burundi (FRODEBU) leader Leonce Ngendakumana confirmed that the National Council for the Defense of Democracy-Front for the Defense of Democracy (CNDD-FDD) and FRODEBU have reached agreement to give the government a working majority when the National Assembly returns October 1 for its fall session.
- 13. (SBU) DAS Swan also addressed the current challenges posed by the abrupt withdrawal of the FNL from cease-fire agreement negotiations. All government officials blamed the FNL for the sudden cessation of the talks, yet maintained the GOB is willing to return to the negotiating table. In expressing frustration with the rebel group, GOB officials remarked that the FNL has no intention to implement the cease-fire agreement. DAS Swan acknowledged the difficulty of working with the rebels, but encouraged the GOB to partner with the FNL to prevent a return to violence. DAS Swan also criticized a recent FNL initiative to replace the South African mediation team, maintaining that a change in mediation will only serve to prolong negotiations. In an encouraging signal that regional states remain focused on the

FNL problem, several GOB officials, including Foreign Minister Antoinette Batumubwira, confirmed that South African, Tanzanian, and Ugandan officials are meeting in Tanzania to determine next steps in implementation of the GOB-FNL accord of September 2006. DAS Swan offered to issue a statement of US support for maintaining the South African mediation team if GOB officials felt it would be useful.

- $\underline{\P}4.$ (SBU) In consultations with both World Bank (WB) and International Monetary Fund (IMF) representatives, DAS Swan explored possible solutions to Burundi's current budget crisis. The IMF defended its position not to review Burundi's 2008 budget until January, thereby holding up \$93 million in budgetary support from the WB and other donors. (Note: The WB and other donors usually require IMF budget approval before disbursing funds. End Note) Without that support, the IMF noted that Burundi would have to cut government programs across the board and seek out IMF-facilitated alternative sources of financing. advised that if the IMF is able to issue some sort of positive signal after the IMF technical team visit in October but before the formal review in January 2008, then the WB and other donors may be able to exercise discretion and disburse funds. The IMF, however, said flatly that no interim signal auguring a favorable formal review could be given in advance of the January 2008 meeting. When meeting with GOB officials, DAS Swan reinforced the importance of a close collaboration with the IMF to ensure future budget support for Burundi. The Ambassador plans to convene a meeting of senior GOB financial officials and the WB and IMF resident representatives to encourage them to develop a common strategy to address the urgent budget gap.
- 15. (SBU) In meetings will all officials, but especially with Burundi Minister of Defense Lieutenant General Germain Niyoyankana, DAS Swan conveyed thanks and respect for the GOB

decision to volunteer troops for the African Union Mission to Somalia (AMISOM). General Niyoyankana replied that he appreciated US assistance for the deployment, but lamented the delay in equipment arrival. DAS Swan assured Niyoyankana that everything feasible is being done to ensure DynCorp expedites delivery of the equipment.

16. (SBU) COMMENT: In his meeting with the President, DAS Swan heard Nkurunziza tacitly acknowledge that his CNDD-FDD party and opposition FRODEBU party are close to an agreement to end the current political stalemate. Ending the political stalemate will be a positive step for the entire country. is, however, worth noting that a FRODEBU - CNDD-FDD alliance creates a power bloc preponderantly of ethnic Hutus, but one that reflects the generally accepted percentages within the country. Absent a census, roughly 15% of the country is Tutsi; the rest is Hutu. Nonetheless, a FRODEBU - CNDD-FDD alliance would further exacerbate the plight of the fractured former ruling Tutsi party, Union for National Progress (UPRONA), emphasizing UPRONA's lack of power. It will be important to monitor this development as Burundi's politics once again risk division along ethnic lines. END COMMENT MOLLER